

Corporate Social Responsibility Model Based On “Tri Hita Karana” Culture

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Abstract : *This research was conducted with the background of the CSR activities that are usually done by the company including the BPR industry. So far, CSR has not been adjusted to the values of local wisdom. One of the values of local wisdom in Bali that can be adopted by companies is the cultural value THK. Therefore, this study has the objective to explain the model of CSR-based cultural values THK.*

This study used a qualitative approach using key informants are stakeholders of the BPR industry, consisting of: the director of BPR, BPR commissioner, banking analyst, cultural experts, and academics. The number of informants there are as many as 15 people.

The results showed that the BPR in Bali has implemented CSR activities such as: providing funding punia to pretend, to invite employees to tirta yatra, took off in the days of Hinduism, planting trees, using conditioned taste, using office facilities friendly environment, provide a decent salary, give a reasonable interest rate, giving social assistance to orphanages / nursing, until there doing house renovation. The various CSR activities when combined with cultural concepts THK then be grouped into parahyangan-based CSR, CSR-based pawongan, and CSR-based palemahan. All this THK-based CSR activities have a positive impact for all stakeholders BPR industry in Bali, such as: maintenance of harmonious relations with the BPR employees, customers and the surrounding community, the preservation of the natural environment is good, and the increased performance of BPR.

Keywords: *CSR, the values of local wisdom, culture THK*

I. BACKGROUND

Corporate Social Responsibility (CSR) shows a greatly increased trend in the globalized world and Indonesia. An awareness of profit and sustainability of a business entity in long term can only be obtained through their public welfare, it has encouraged company's commitment to social responsibility [1]. The SWA research results [22] showed that 80% respondent companies have realized the importance of social responsibility for companies and incorporate elements of the objectives of corporate social responsibility, such as stakeholders' interests and concerns in society and environment in company policy.

Application of the company's internal CSR will create a climate of trust in them, which would increase motivation and commitment of employees. In addition, customers, consumers, investors, suppliers, and other stakeholders have also been proven to be more supportive to Companies that assessed as having social responsibility, thus increasing market opportunity and competitive advantage. With all the advantages, companies that implemented CSR show better performance, profits, and growth [11]. That opinion was also strengthened by the results of research that has been done by Silberhorn and Warren [18], Anselmsson and Johansson [2], Jones et al. [10], Maccarrone [12], Bhattacharyya [5], Samy et al. [17], Green and Peloza [9], Scharf et al. [21], and the Sun [19]. Then, according to Wang and Dewhirst [23] and Bertens [4], that the implementation of CSR pay attention to all stakeholders' interest, not just shareholders, but also to consumers, employees, suppliers, and local community and society at large. All of these studies showed that there are positive role of CSR to the achievement of company performance. A fundamental premise of CSR, often considered as core of the norms and business ethics, the company not only has the economic and legal obligation, that means for shareholders, but also an obligation to other concerned parties (stakeholders) that reach beyond the obligations above. It is also revealed in research conducted by Cragg and Greenbaum [6]. Social Responsibility of the company occurred between a company and all stakeholders, including customers, employees, communities,

shareholders or investors, government, suppliers and even competitors [15]. The same thing is also conveyed by the Manager of Sustainability Assurance Services (SAC) Mazars Indonesia, Bahtiar Manurung said that business management paradigm shift from focus on shareholders or shareholders to be focused on stakeholders or stakeholder. "If in the past, the company's attention focused on the owners of capital and capitalization, now it is oriented to internal and external stakeholders of the company" he said Rahmadi [16]. In connection with this paradigm, the role of CSR in the business world is expected to join the welfare of society and preserving the environment.

The CSR program is one of obligations that must be implemented by company in accordance with the contents of Article 74 of the Law of the Republic of Indonesia No. 40 Year 2007 regarding Limited Liability Company (PT), to social responsibility and the environment applicable to the company that manages or has an impact on natural resources and unrestricted contributions and contained in the financial statements. That law obliges industry or corporation to carry it out, but this obligation is not an onerous burden. Keep in mind that the development of a country is not just the responsibility of government and industry, but every human being instrumental to achieve social welfare and management of life quality. Industry and corporations contribute to encourage healthy economic growth by also considering environmental factors.

In addition to the Law on CSR, the Indonesian government issued a regulation, to be signed PP 47 Year 2012 by President Susilo Bambang Yudhoyono on Corporate Social Responsibility (Voice Reform, June 9, 2012). With issued PP 47 of 2012 on Corporate Social Responsibility expected being able to intensify and improve the quality of CSR in order to have an impact on 3P (Planet, People, and Profit).

Social activity of companies is one of the components used in the annual report. There is still no standard that regulates about reporting the company's social activities and caused the diversity of forms of social disclosure made by the company. Each company has different policies regarding social disclosure in accordance with the characteristics of the company. This poses a problem in measurement social disclosure. The company will acquire social legitimacy and maximize its financial strength in the long term through the application of CSR [11].

The essential thing need be achieved through introduction of the concept of CSR is that the implementation of CSR activity is not solely a corporate activity that is voluntary but measurable impact on the company's financial performance improvement. One of the models is looking at the relationship between CSR implementation by the company with the company's financial performance, stated by Marom [13]. Marom view that CSR activities equal with products that offered by the company to the consumer.

CSR strategy across the industry has actually been implemented long ago. From the results of Preliminary interviews were conducted against five directors of BPR, and obtained information that the BPR industry in Bali often carry out activities to provide assistance to the scholarships, together in the bond Perbarindo in planting trees, donating to the places of worship. This activity is one example of a CSR strategy. CSR is expected to improve the image of BPR in the eyes of its customers and ultimately to increase the performance of BPR. BPR performance improvement by implementing CSR must not be separated from the values of the community in Bali. One of the values of local wisdom that has always been the basis in this life are the values contained in the culture concept of Tri Hita Karana (THK). THK's values also serve as guidelines in the Balinese community live in managing the business of its business including BPR. Therefore, this study has the aim to determine the model of CSR-based values of THK.

II. METHODS

The approach of this study is using a case study approach, namely empirical inquiry that investigates a contemporary phenomenon that is presented in the context of real life, which is carried out when the boundaries between phenomenon and context is not clear by using various data sources [24]. Case study can be grouped into explanatory case study, exploratory and descriptive [24]. Explanatory case study is the most suitable for answering the question of "how" and "why". Exploratory case study is a situation where there is preliminary understanding of the phenomenon and the obvious question to be answered.

Although there are three types of case studies that can be overlapped, the type of case study in this study is exploratory. In addition, the study included a case study single holistic. According to Yin [24], there are five reasons to use a single case study holistic, as following: 1) Chosen case is able to become proof of a theory that has been built properly. The theory has a clear proposition, corresponding to the selected single case that can be used to prove the truth, 2) Case must be an extreme case or unique. The case may be circumstances, events, programs or activities that are uncommon even be the only one in the world, so it deserves to be studied as a case, 3) Chosen case is representative of typical cases or other same cases. Basically, there are many cases similar to the chosen case, but with purpose to save time and costs, research can be done only on one case, which is seen as capable of being a representative of the other cases, 4) Case is selected because it is a special opportunity for researchers. That opportunity is the path that allows researchers to investigate the case. Without that opportunity, the researcher may not have access to do research on the case and 5) Case is selected because it is longitudinal, which occurs twice or more at different times. Such cases are very appropriate for research to prove the occurrence of a change in one case due to the passage of time.

Research Informant

In qualitative research, it does not use the population term, but "social content" or social situations which consists of three elements namely: place, players, and activity, which interact synergistically. Other than that, in qualitative research, respondents is not be used as the term, but as the informant. Informants in a qualitative study are the ones who provide information on the matters under investigation [8]. The most important thing in the procedure of qualitative research is determining the key informants. The key informant is determined on the involvement of the relevant the situation / social conditions that will be studied in the research focus [8]. To obtain the informants in this study, can be done in two ways, namely: 1) snowballing sampling can be used when researchers actually 'blind' with information about the object, and 2) the key person if researchers already understood well the initial information about the object of study and research informants. Informants in qualitative research are the ones who provide information on the matters under investigation [8]. According Daymon and Holloway [7] that for case studies, the sample is purposive. That is, the sample was adapted to the purpose and need of research. Focus of this research is a process of developing a CSR strategy model based THK values. In this study, the research informant is a 'key person' the stakeholders (stakeholders) who knows the process of implementing CSR strategies across the industry. Key person consists of stakeholders directors / commissioners BPR in Bali, academia, banking analysts and cultural figures.

Table 1. Key Informant of Research

No	Internal	People
1	BPR Director	9
2	Bank Officials	2
3	Academics	2
4	Cultural Figure	2
	Total	15

Resource: Processed data, 2015

Based on the data in Table 1, it can be explained that the number of stakeholders who become informants consists of nine managers, two banking observers, two academics in the fields of banking, and two religious leaders / culture that have an understanding of the values of THK.

Data collection technique

Data collection technique in this research is through participative observation, unstructured observation, and in-depth interviews. Participative observation, where the researcher is directly involved in the situation or environment which the symptoms occur so that individuals are observed not know that they are being observed so that the situation and the activities will be run naturally,

whereas unstructured observation, observation is not prepared systematically on what will be observed. Besides that, also conducted in-depth interviews (in-depth interviews) and a free interview. Free interview is researchers did not use a structured interview guide in collecting data, but use the themes to interview, while in-depth interviews conducted dialogs with the aim to obtain information more depth. Documentation study was also conducted in the research, mainly to explore the process of implementing CSR strategies.

Research Instruments

The main instrument in a qualitative study is the researchers themselves or team member researchers. The researcher as an instrument has its own advantages compared with the instruments that have been created. It is also revealed by Guba and Lincoln (1994) in Alwasilah [3] concerning the characteristics of qualitative approach on the part of human beings as instruments. Conventional instruments are a priori and are prepared in advance by researcher or the order will not be able to adapt flexibly to a profusion of reality. Only human that will be able to adjust and interact thoroughly with the phenomenon being studied. In this study, researcher is only one person, accompanied by a research assistant. Researchers who acted as an instrument, equipped with a research protocol that contains the procedures and themes of research questions which have been prepared to reflect the mindset used as a guide or a research instrument. Researcher as research instrument is guided by focusing of research formulation problem and the purpose of this research.

Based on the protocol, informants were asked to reconstruct, not to remember [22]. A short descriptive question that has been given to lure informants to tell details of the experience of informants in developing spiritual tourism, strengthen the quality of Hinduism followers. Researchers will act as a listener for listening what the informant will be told. So that the interviews be recorded properly, and investigators have evidence of interviewing the informant as a source of information, it would require the help of tools, such as: 1) notebook serves to record all conversations with sources of data, 2) a tape recorder is used to record all conversations or talks, and 3) the cameras are working to document the time of the interview.

Data analysis

The data analysis in this study followed the analysis of data from Miles and Huberman [14] which states that the data analysis is done interactively through the process of data collection, data reduction, display data, and data verification. Data reduction is to summarize, have the basic things, focus on the things that are important, look for themes, patterns and discard unnecessary. Data display is the presentation of data that can be done in the form of brief descriptions, charts, connections between categories and the same others, but is most often used to present data with the qualitative research is a technical narrative. Furthermore, the data verification is drawing conclusions that are expected to answer fundamental research problems which formulated from the beginning, but probably not because of the problem and the problem in qualitative research is still tentative and will be developed after research.

Eligibility Examination Data

Test data validity in qualitative research is important and necessary because in qualitative research there is involvement of subjectivity, bias risk researcher, concerns about the generalizability and parsimony lower risk higher than the quantitative research [24]. Subject's validity in qualitative research has been discussed by Miles and Huberman [14]. The researchers recommend to insert test the validity of study design.

III. RESULTS AND DISCUSSION

This discussion is to articulate the meaning of the data that has been done before. This discussion includes: (a) Model CSR programs across the industry, (b) benefits from CSR program for all stakeholders, and (c) CSR model-based THK culture.

Based on the result of qualitative research, it provides in-depth picture of the model of CSR programs across the industry, benefits, and CSR model based THK culture. Based on researcher's knowledge, it has not been found CSR Model Strategy Based THK Culture on previous study. The

previous section presented a description of the perception of all of the informants about the CSR program in the BPR industry, CSR benefits for all stakeholders BPR, and CSR model based THK culture. All informants besides conveying their perception of CSR models across the industry, also saying the benefits gained when developing BPR with CSR programs and the development model of CSR based on THK culture.

CSR Model in rural banks in Bali

The result of the reduction of informants’ statements as follows: CSR program has been implemented by BPR in Bali are: 1) contribute to the places of worship, 2) provide the opportunity for employees to celebrate the holy days, 3) provide worthy salary to employees, 4) provide the best services to customers, 5) provide scholarships to poor students, 6) upgrade house to people who are poor, 7) contribute to the orphanage, 8) participate planting trees, 9) make savings in the use of air conditioning.

CSR of BPR benefits to all stakeholders

The result of the reduction of informant statements, are as follows: From interviews with all the informants, can be explained about the benefits of CSR that can be enjoyed by all the stakeholders, namely: employees, customers, suppliers, the external community mostly. The benefits for employees are as follows: economic benefits, psychologist benefits and social benefits, while from the perspective of customers: security benefits, service benefits, and of society: economic benefits, social benefits, and religious benefits.

CSR Based THK

The result of the reduction of informant statements, are as follows: From interviews with all of the informants, can be explained on the relationship of THK culture with BPR CSR programs.



According to informants, can be said that the BPR industry in Bali is already implemented CSR program, and when associated with the values of local wisdom in Bali, one of that is the culture of THK. Therefore, it can be explained that the CSR programs of BPR in Bali can be mated with the THK culture consisting of parahyangan, pawongan, and palemahan dimensions. Thus, the concept of CSR based THK culture into CSR-based parahyangan, CSR-based pawongan, and CSR-based palemahan that can be described as picture below.

CSR-based on Parahyangan

CSR activities conducted by the BPR industry in Bali based Parahyangan, which how BPR in Bali always try to have a good relationship with the God who created this world. The BPR managers strongly believe if the company has done a good relationship with the creator of this world, the company in this case BPR will run smoothly and well. This condition must be very helpful in achieving the overall performance of BPR. As for other forms of CSR programs that have been carried out BPR in Bali based Parahyangan can be presented in following figure.

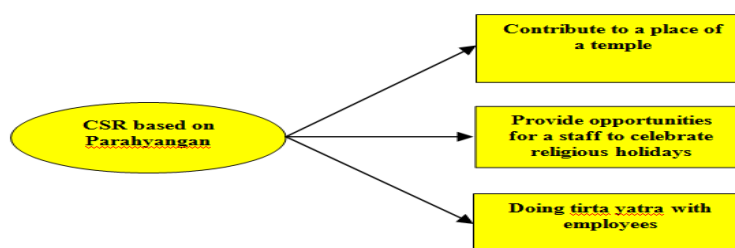


Figure 1. CSR based on Parahyangan

CSR-based on Pawongan

CSR activities conducted by the BPR industry in Bali-based on pawongan, which about how the BPR in Bali is constantly looking for the welfare of people in general, both in internal and external environment. By providing welfare to the internal environment will lead to employee productivity increased up, and ultimately increase the overall performance of the BPR. Likewise, if the BPR is able to take the welfare of the external environment, it will have an impact on improving the image of the BPR. As for other forms of CSR programs that have been carried out BPR in Bali-based on pawongan can be presented in the following figure.

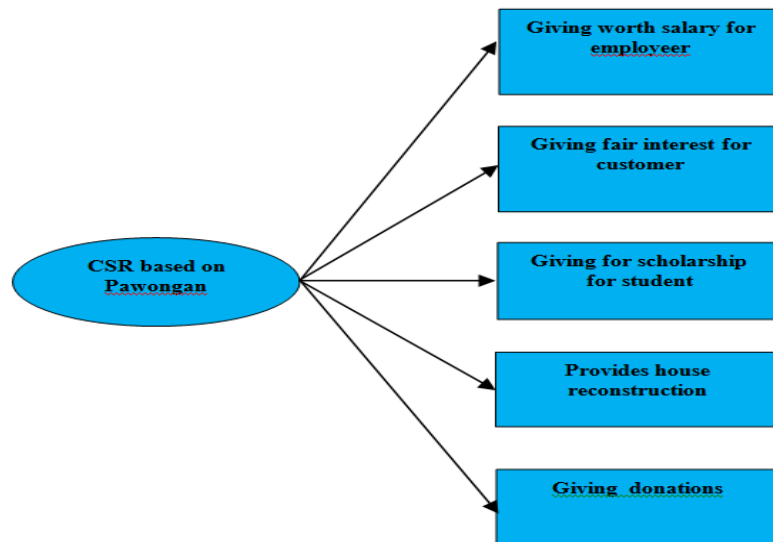


Figure 2. CSR based on Pawongan

CSR-based on Palemahan

CSR activities conducted by the BPR industry in Bali-based on Palemahan, which about how the BPR in Bali constantly trying to keep the preservation of the natural environment. By opting to maintain the preservation of the natural environment as well as participate in the activities of the office with adequate ventilation causes saving air conditioning; participate planting trees even still be done by cooperation between the BPR, this is the real form of preservation the natural environment. As for other forms of CSR programs that have been carried out BPR in Bali based Pawongan can be presented in the following figure.

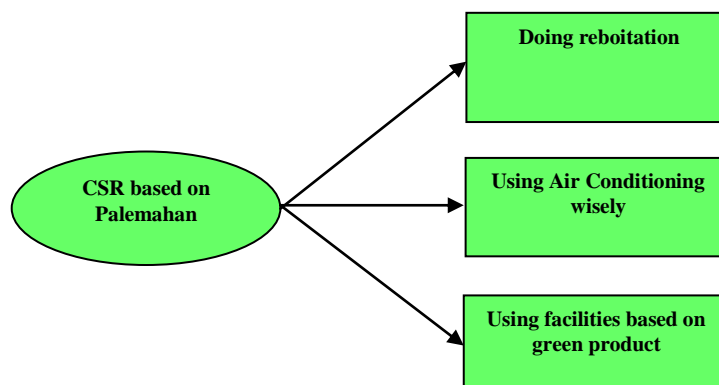


Figure 3. CSR based on Palemahan

IV. CONCLUSIONS AND RECOMMENDATIONS

Based on the results of research, discussion and interpretation that have been described in the previous chapter with reference to several theories and previous research results, then can be drawn some conclusions as follows.

1. CSR Model has been done across the industry in Bali Province as follows: provide assistance to places of worship, provide an opportunity for employees to off during religious holidays, member assistance to orphanages / nursing, surgery, giving the scholarships, pay employees with decent wages, give reasonable interest rates to customers, using AC taste, planting trees, using environmentally friendly office facilities.
2. The benefits that can be provided to stakeholders by conducting CSR among others: BPR maintaining harmony with the local community, providing welfare to employees and customers, and general community, keeping the preservation of the natural environment.
3. CSR model-based on THK culture is very close, so the two concepts can be developed a new concept of CSR-based on THK, the CSR-based on Parahyangan, Pawongan, and Palemahan.

Suggestion

Based on the analysis, it can be recommended to the BPR industry in Bali in order to continue the program CSR that has been done and if profits increase, the allocation of funds for CSR programs can be expanded, as did tirta yatra which involve external stakeholders such as customers and community leaders in the environment.

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